



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

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Application Of Southern California Edison)
Company (U 338-E) For Approval Of Its Forecast)
2017 ERRRA Proceeding Revenue Requirement.)
_____)

Application No. 16-05-001
(Filed May 2, 2016)

**SOUTHERN CALIFORNIA EDISON COMPANY’S (U 338-E) REPLY TO THE PROTESTS OF
THE OFFICE OF RATEPAYER ADVOCATES AND THE CITY OF LANCASTER AND THE
RESPONSES OF THE PUBLIC AGENCY COALITION AND ALLIANCE FOR RETAIL
ENERGY MARKETS AND DIRECT ACCESS CUSTOMER COALITION TO SCE’S
APPLICATION**

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Dated: **June 13, 2016**

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I.

INTRODUCTION

Pursuant to California Public Utilities Commission (CPUC or Commission) Rule of Practice and Procedure 2.6(e), Southern California Edison Company (SCE) respectfully submits this Reply to the Protests filed by the Office of Ratepayer Advocates (ORA) and the City of Lancaster (Lancaster) and the Responses filed by the Public Agency Coalition (PAC) and the Alliance for Retail Energy Markets and the Direct Access Customer Coalition (AReM/DACC), in response to SCE’s Application in this proceeding.

II.

SCE REPLY TO ORA PROTEST

SCE agrees that the issues ORA discusses in its Protest are appropriately within the scope of this proceeding. In its proposed schedule however, ORA urges the Commission to require SCE to submit its November Update testimony (which includes updated Greenhouse Gas (GHG) information required by

D.14-10-033) on October 10, 2016. That is infeasible for two reasons: (1) D.14-10-033 requires SCE to use updated recorded data through September 30th so an October 10th deadline does not allow sufficient time for SCE to assemble the GHG-related update testimony; and (2) more broadly, SCE's November Update Testimony relies on market price benchmark information received each year from the Energy Division that is not available until November.

In Section VI below, SCE submits an updated proposed schedule that takes into account scheduling issues raised by the parties in their Protests and Responses, as well as the passage of time since the filing of SCE's Application.

III.

SCE REPLY TO LANCASTER PROTEST

Lancaster protests SCE's Application because Lancaster believes the Application "excludes material information regarding class and rate component information, Indifference Rate data, and a basis for SCE's Green Tariff Shared Renewables Program (GTSR) program estimates."¹ SCE addresses each of these claims below.

A. SCE Was Not Required To Provide Rate Information With Its Application

Lancaster asserts that "SCE did not provide 'estimated rate information organized by class and functional rate component' with the 2017 ERRa Application."² That is correct, but SCE was not required to do so. Lancaster argues that D.15-12-033 (approving SCE's 2016 ERRa Forecast application) should be interpreted to require SCE to provide this information both with its May filing and its November Update testimony. But D.15-12-033 is clear: "In future ERRa proceedings, Southern California Edison Company shall submit, as part of its Application *or* November Update material, estimated rate information organized by class and functional rate component."³ Lancaster does not

¹ Lancaster Protest at p. 2.

² *Id.* at p. 3 (quoting D.15-12-033).

³ D.15-12-033 at Ordering Paragraph 4 (emphasis added).

adequately explain why the Commission’s use of the word “or” in the final decision should instead be read as “and.”

Further, as SCE explained to Lancaster in response to data requests in this proceeding, providing this information in May has limited usefulness, for two reasons: First, the Commission sets the ERRA revenue requirement (and therefore rates) based on the updated November data, *not* the May data included with SCE’s Application. Second, SCE does not implement the approved ERRA-related changes on a stand-alone basis. Rather, those changes will be consolidated with other revenue requirement changes (such as GRC attrition year changes, transmission base revenue changes, and balancing account balances) when they are implemented in rates on January 1, 2017.

Therefore, providing stand-alone, non-updated estimated rate information in May has little practical utility. In any event, D.15-12-033 does not require it. As a courtesy to Lancaster, SCE has agreed to provide this information in June through the submission of supplemental testimony, and not wait until the November Update.⁴

B. SCE Has Not Improperly Redacted Any Data

Lancaster correctly notes the categories of confidential data that SCE redacted, but nowhere explains why those redactions are “improper.” All of the information SCE redacted is confidential and protected from disclosure to market participants by Commission precedent (and in the case of the GHG confidential information, by state law).⁵ Lancaster is a market participant and any experts it retains to advocate in this proceeding would be required to keep data confidential from market participants within Lancaster, and the proper procedure for doing so is to have the expert sign a Commission-approved Non-Disclosure Agreement. Lancaster has not done so.

⁴ Lancaster is incorrect when it asserts that “SCE certainly could have provided this information in May.” (Protest at p. 6). SCE explained in a data request response to Lancaster that the required work had not been completed by the time of the filing of SCE’s Application. As SCE also explained, the required work is being completed to support several filings, including SCE’s 2018 GRC Phase 1, and not just this ERRA Forecast proceeding.

⁵ All of the data SCE redacted is either confidential on its own, or could be used to “back in to,” or reverse engineer, confidential data if unredacted. SCE has unredacted more data than it has in previous ERRA proceedings, and now provides the same unredacted data as the other IOUs.

C. SCE Will Update Its GTSR Showing

Lancaster's Protest claims that SCE's application does not provide information on how SCE estimated the Green Tariff Shared Renewables (GTSR) Program kilowatt hour (kWh) participation for 2017.⁶ SCE's estimate is based on an analysis from its Customer Programs and Services organization. That analysis forecast opt-in rates for the optional GTSR rate (*i.e.*, number of participating customers), blended by a forecast split between the 100% green and 50% green energy options available under GTSR, multiplied by assumed energy use for those customers (*i.e.*, kWh consumption). Similar to the treatment of many other ERRA rate inputs, SCE will update this forecast in its November Update to reflect the most current estimates of GTSR customer participation.

IV.

SCE REPLY TO PAC RESPONSE

PAC urges SCE and the Commission to actively resist efforts to re-open the 2014 SONGS OII settlement agreement. In its June 2, 2016, Response of Southern California Edison Company (U 338-E) to Joint Ruling of Assigned Commissioner and Administrative Law Judge Reopening Record, Imposing Ex Parte Contact Ban, Consolidating Advice Letters, and Setting Briefing Schedule (Joint Ruling) in I.12-10-013 (the SONGS OII Docket), SCE noted that the SONGS OII "settlement has been and is being implemented as intended." SCE does not believe the SONGS OII settlement agreement should be re-opened, and will submit formal briefs on this issue in the SONGS OII Docket in July 2016 pursuant to the briefing schedule set by the Joint Ruling. Until the Commission rules on that issue, however, SCE stands by its data request response to PAC that "it would be speculative to describe any 'possible

⁶ Although Lancaster has not propounded data requests on any GTSR issues, in its Protest Lancaster claims it needs this information to evaluate "how SCE will employ its 'cost-sharing mechanism between its GTSR and RPS programs, or whether SCE is on track to include resources not in its 'Interim GTSR Pool' to meet its advanced procurement targets under D.15-01-051." Lancaster Protest at pp. 8-9. This appears to be an attempt by Lancaster to inappropriately expand the scope of this proceeding. Those issues are already being evaluated by the Commission in GTSR- and RPS-specific proceedings (*e.g.*, A.12-01-008 and R.15-02-020), and are outside the scope of this ERRA Forecast proceeding.

impact’ that the Commission’s potential actions on the SONGS OII Ruling would have on” this ERRA proceeding.

In response to PAC’s arguments about the alleged impropriety of confidential redactions, SCE incorporates its response above to Lancaster’s identical comments.

V.

SCE REPLY TO AREM/DACC

SCE agrees that the issues AREM/DACC identifies in its Response are appropriately within the scope of this proceeding. SCE also agrees with AREM/DACC’s scheduling proposal regarding concurrent briefing, and that change is reflected in SCE’s revised proposed schedule below.

VI.

REVISED PROPOSED SCHEDULE

Taking into consideration parties’ comments and the passage of time since the filing of its Application, SCE respectfully proposes the following revised schedule for the assigned Commissioner’s and Administrative Law Judge’s consideration.

Application filed	May 2, 2016
Protests (if any) due	June 3, 2016
Reply to Protests due	June 13, 2016
Pre-Hearing Conference (scheduled)	June 29, 2016
SCE Supplemental Testimony due	June 29, 2016
Energy Division/SCE Workshop (scheduled)	June 30, 2016
ORA/Intervenor Testimony due	August 29, 2016
SCE Rebuttal Testimony due	September 16, 2016
Hearings (if needed)	October 13-14, 2016
SCE Update Testimony	November 10, 2016
Concurrent Briefs	November 17, 2016
Proposed Decision	November 24, 2016
Comments on Proposed Decision (time shortened by stipulation)	December 5, 2016
Reply Comments on Proposed Decision	December 12, 2016
Final Commission Decision	December 15, 2016 (last Commission Meeting of 2016)

VII.

CONCLUSION

SCE looks forward to discussing these scoping and scheduling matters further at the June 29 prehearing conference.

Respectfully submitted,

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